

# HOUSE BILL 736

Q7

6lr2380

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By: **Delegate Ebersole**

Introduced and read first time: February 2, 2026

Assigned to: Ways and Means

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## A BILL ENTITLED

1 AN ACT concerning

2 **Alcoholic Beverage Tax – Ready-to-Drink Cocktails**

3 FOR the purpose of establishing the alcoholic beverage tax rates for ready-to-drink  
4 cocktails; and generally relating to alcoholic beverage taxes.

5 BY repealing and reenacting, without amendments,  
6 Article – Tax – General  
7 Section 5–101(a) and (g)  
8 Annotated Code of Maryland  
9 (2022 Replacement Volume and 2025 Supplement)

10 BY adding to  
11 Article – Tax – General  
12 Section 5–101(k)  
13 Annotated Code of Maryland  
14 (2022 Replacement Volume and 2025 Supplement)

15 BY repealing and reenacting, with amendments,  
16 Article – Tax – General  
17 Section 5–101(k) through (n) and 5–105  
18 Annotated Code of Maryland  
19 (2022 Replacement Volume and 2025 Supplement)

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
21 That the Laws of Maryland read as follows:

22 **Article – Tax – General**

23 5–101.

24 (a) In this title the following words have the meanings indicated.

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



- 1 (g) (1) “Distilled spirits” means a distilled alcoholic beverage.
- 2 (2) “Distilled spirits” includes:
- 3 (i) alcohol;
- 4 (ii) brandy;
- 5 (iii) cordials;
- 6 (iv) gin;
- 7 (v) liqueur;
- 8 (vi) rum;
- 9 (vii) vodka;
- 10 (viii) whiskey; and
- 11 (ix) solutions or mixtures of distilled spirits except fortified wines.

12 **(K) “READY-TO-DRINK COCKTAIL” MEANS A BEVERAGE THAT:**

13 **(1) CONTAINS DISTILLED SPIRITS MIXED WITH NONALCOHOLIC**  
14 **BEVERAGES AND MAY CONTAIN WINE;**

15 **(2) IS 12% OR LESS ALCOHOL BY VOLUME; AND**

16 **(3) IS CONTAINED IN ORIGINAL PACKAGING CONSISTING OF A**  
17 **CONTAINER THAT IS NOT MORE THAN 16 OUNCES.**

18 **[(k)] (L)** “Resident dealer” means a person who is required to obtain a resident  
19 dealer’s permit under § 2–125 of the Alcoholic Beverages and Cannabis Article.

20 **[(l)] (M)** (1) “Retail dealer” means a person who buys an alcoholic beverage  
21 for sale to a consumer.

22 (2) “Retail dealer” includes a county department of liquor control, a liquor  
23 control board, or the Alcohol Beverage Services for Montgomery County that operates a  
24 dispensary.

25 **[(m)] (N)** (1) “Wholesaler” means a person who buys or imports an alcoholic  
26 beverage for sale to another person for resale.

1           (2) “Wholesaler” includes a county department of liquor control, a liquor  
2 control board, or the Alcohol Beverage Services for Montgomery County that operates a  
3 wholesale dispensary.

4           [(n)] (O) (1) “Wine” means a fermented alcoholic beverage.

5           (2) “Wine” includes:

6           (i) carbonated, flavored, imitation, sparkling, or still wine;

7           (ii) champagne;

8           (iii) cider;

9           (iv) fortified wine;

10          (v) perry;

11          (vi) sake; and

12          (vii) vermouth.

13 5–105.

14          (a) (1) Except as provided in **PARAGRAPH (2) OF THIS SUBSECTION AND**  
15 subsection (d) of this section, the alcoholic beverage tax rate for distilled spirits is:

16           [(1)] (I) \$1.50 for each gallon or 39.63 cents for each liter; and

17           [(2)] (II) if distilled spirits contain a percentage of alcohol greater than  
18 100 proof, an additional tax, for each 1 proof over 100 proof, of 1.5 cents for each gallon or  
19 0.3963 cents for each liter.

20           **(2) THE ALCOHOLIC BEVERAGE TAX RATE FOR READY-TO-DRINK**  
21 **COCKTAILS IS 60 CENTS FOR EACH GALLON OR 15.85 CENTS FOR EACH LITER.**

22          (b) Except as provided in subsection (d) of this section, the alcoholic beverage tax  
23 rate for wine is 40 cents for each gallon or 10.57 cents for each liter.

24          (c) Except as provided in subsection (d) of this section, the alcoholic beverage tax  
25 rate on beer and mead is 9 cents for each gallon or 2.3778 cents for each liter.

26          (d) The tax imposed under § 5–102(b) of this subtitle shall equal the amount that  
27 the discriminating jurisdiction charges a Maryland licensee or permit holder.

28           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July

1 1, 2026.